Review of Performance of Export Promotion Policies

873. SHRI CHITTA BASU: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that India's export promotion policies have not worked as intended, as revealed by a study of the performances of 405 private sector companies conducted by the Indian Institute of Public Administration; and

(b) if so, whether Government propose to take appropriate steps to correct it?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) and (b) India's export promotion policies have shown positive impact as reflected in the overall growth of India's exports which increased by **15.4 per cent during 1986-87 and by 25.3 per cent during 1987-88.**

Support Price for Raw Jute

374. SHRI CHITTA BASU: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have withdrawn the statutory support price on raw jute with effect from **the current jute season; and**

(b) if so, what are the reasons therefor?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b) The Government have fixed the minimum support price of jute for 1988-89 season. The statutory nature of the price fixation has been done away with for the 1988-89 season. But this will, in no way affect the operations of the Jute Corporation of India. **The statutory** clause was nothing but an ineffective order which did not serve its intended purpose. There is an open ended commitment on the part of the Government to ensure minimum support price to the growers through the Jute Corporation of India and for this purpose, the Jute Corporation of India has been provided with men, material and finance adequately.

Smuggling across Indo-Nepal Border

875. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the article captioned "Smugglers Paradise" published in 'India Today' of the 30th June, 1988 issue; if so, what is Government's reaction thereto;

(b) whether it is a fact that along the 728 km. Indo-Nepal border only eight check-posts are located;

(c) whether it is also a fact that Rs. 1.5 crores worth contraband goods mainly electronics, man-made fibres, gold, etc. are smuggled into India from Nepal;

(d) whether it is also a fact that five or six truck-loads of foreign goods leave Krishnanagar (Nepal) every day for India; and

(e) whether it is also a fact that AK-47 assault rifles are also being smuggled from across the Nepal border and that on many occasions violent clashes also take place with the smugglers on this border?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE **(SHRI AJIT PANJA): (a) Yes, Sir,** All possible steps are being taken to meet the challenge of the smugglers. The anti-smuggling drive has been intensified. The anti-smuggling machinery throughout the country including that on the Indo-Nepal border has been geared up. Close coordination is being maintained with

all the concerned agencies in the detection and prevention of smuggling. Close co-ordination is also being maintained with the Customs authorities of His Majesty's Government of Nepal.

(b) There are 22 Land Customs Stations on the Indo-Nepal border and 55 Preventive Units in the Indo-Nepal border Customs Collectorate with Headquarters at Patna which are charged with the responsibility of combating smuggling along the Indo-Nepal border. The Directorate of Revenue Intelligence which is the apex body for the collection, collation and dissemination of intelligence on smuggling actively assists the Indo-Nepal border Collectorate of Customs through two Regional Units at Lucknow and Patna, two sub-units at Varanasi and Siliguri and two Intelligence Cells at Gorakhpur and Muzafarpur.

(c) Smuggling being a clandestine activity, it is not feasible to make any precise estimate of the quantum of goods being smuggled into the country from Nepal. However, the number of cases booked and the value of seizures effected by the Customs authorities on the Indo-Nepal border and the adjoining areas during the last four years is given below:—

Year	Number of cases	Vale of goods seized (Rs. in lakhs)
1985	4743	607.61
1986	5926	895.11
1987	6468	1287.82
1988 (u to June)	3482*	918.28£

*Figures are provisional.

The increase in the value of seizures need not necessarily indicate an increaese in the smuggling activities and could be due to the intensification of the drive against smuggling.

(d) Available Intelligence reports indicate that Krishnanagar (Nepal)-Barhni (U.P.) sector of India-Nepal border is sensitive to smuggling. However, there is no intelligence to suggest that 5 or 6 truckloads with foreign goods leave Krishnagar (Nepal) every day for India.

(e) Available intelligence reports do not indicate that AK-47 assault rifles are being smuggled from Nepal into India. No seizure of these rifles has been reported so far.

Three cases of encounters with smugglers on this border during January, February, 1988 have been reported. In these encounters, 31 rounds were fired from the departmental weapons. However, no injury has been reported.

Evasion of Excise Duty by M/s. ITO Limited

876. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Directorate of Anti-Evasion carried out search and seizure operations in February, 1987 against M/s. ITC Limited, a cigarette manufacturing company and that a notice was issued regarding evasion of tax worth Rs. 1400 crores by the Company;

(b) whether it is also a fact that the ITC is indulging in litigation; if so, what are the details of the litigation cases pending finalisation; and

(c) by when the amount due against the Company is likely to be recovered,

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Searches were carried out by the Directorate of Anti-evasion with the assistance of local Central Excise officers against